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Programme questions: proposed programme budget for the biennium 2004-2005

Letter dated 23 May 2003 from the Chairman of the Working Party on the Medium-term Plan and the Programme Budget of the United Nations Conference on Trade and Development addressed to the Chairman of the Committee for Programme and Coordination

I am pleased to inform you that the Working Party on the Medium-term Plan and the Programme Budget met on 21 and 22 May 2003 in order to consider and comment on the relevant text (A/58/6 (sect. 12)).

At the conclusion of its deliberations, the Working Party adopted by consensus the agreed conclusions in document TD/B/WP/162, which I attach for the consideration of the Committee (see annex I). In addition, I am also attaching the introductory statement made in the formal session by the Deputy Secretary-General of the United Nations Conference on Trade and Development (see annex II). I should also like to bring to your attention, at the request of the delegation concerned, that a delegation expressed concern about the level of resources requested.

Once again, I would like to wish you every success in your endeavours and assure you of the ongoing support of the members of the Working Party.

(*Signed*) Iouri **Afanassiev**
Chairman of the Working Party on the Medium-term Plan
and the Programme Budget

03-39712 (E) 170603

Annex I*

AGREED CONCLUSIONS ADOPTED BY THE WORKING PARTY AT ITS FORTIETH SESSION, SECOND PART[1]

A

Review of the work programme: Draft programme budget for the biennium 2004-2005

The Working Party on the Medium-term Plan and the Programme Budget,

Having considered Section 12, "Trade and development", of the proposed programme budget for the biennium 2004-2005, as contained in documents A/58/6 (Sect. 12) and TD/B/WP(XL)/CRP.1,

1. *Concurs* with the programmatic content of Section 12, which has taken into account many of the comments made by the Working Party at its January 2003 session, as well as the views expressed by member States through, *inter alia*, the survey on publication proposals;

2. *Emphasizes* the importance of UNCTAD's role and contributions to the implementation of the commitments arising from the outcomes of major international conferences, including the United Nations Millennium Summit, the Third United Nations Conference on Least Developed Countries, the International Conference on Financing for Development and the World Summit on Sustainable Development;

3. *Emphasizes* also the importance of UNCTAD's assistance to member States in the implementation of the post-Doha work programme of the World Trade Organization and the New Partnership for Africa's Development (NEPAD);

4. *Stresses* the importance of the *Least Developed Countries Report*, and *requests* the Trade and Development Board to consider having this report published on an annual basis within the existing regular budget, with the possibility of extrabudgetary resources;

5. *Invites* development partners to continue their support to UNCTAD's activities in response to emerging requests from developing countries.

B

UNCTAD's technical cooperation

The Working Party on the Medium-term Plan and the Programme Budget,

Takes note of the information provided by the secretariat in document TD/B/WP/161 and of the indication that a new draft strategy for UNCTAD's technical cooperation will be prepared and presented to the Working Party at its forty-first session for consideration by member States.

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* Reproduction of document TD/B/WP/162.

[1] As adopted by the Working Party on the Medium-term Plan and the Programme Budget at its 157th plenary meeting on 22 May 2003.

Annex II

WORKING PARTY ON THE MEDIUM TERM PLAN AND THE PROGRAMME BUDGET – Resumed 40th session 21-23 May 2003

Statement by Mr. Carlos Fortin
Deputy Secretary-General of UNCTAD[1]

Mr. Chairman, Distinguished Members of the Working Party, Distinguished Delegates:

Welcome to this resumed session of the Working Party. Let me first recall that it is customary for the Working Party to meet twice to review the programme budget, and while the outcome is similar, in the sense that the Working Party expresses views and adopts agreed conclusions, the follow up is of a different nature. At a first stage the Working Party meets to review the draft programme of work and provide guidance to the secretariat before the finalization of the programme budget fascicle by the UN Controller in New York. This took place when we met last January in the first part of the 40th session.

We are now meeting in this resumed session to undertake the second stage. The document before you is the proposed programme budget covering UNCTAD that the Secretary-General of the United Nations is submitting to the 58th session of the General Assembly and it contains both the work programme narrative and its resource implications. Before its adoption by the General Assembly, the programme budget of the United Nations is reviewed by the General Assembly's review bodies, that is the Advisory Committee on Administrative and Budgetary Questions (ACABQ) - which is an expert body and concentrates on resource levels and deployment - and the Committee for Programme and Coordination (CPC) - which is an intergovernmental body and, as implied by its name concentrates on the programme narrative and ensures it is in line with mandates and complements the work of other entities. At this stage, the Working Party submits the outcome directly to the two review bodies to which I have just referred. It is in this sense that the follow up to the outcome of this resumed session is different from that of the session of last January.

In my statement of last January I mentioned that, for the first time all the work programmes in the economic and social sector of the United Nations were being discussed within the Executive Committee for Economic and Social Affairs (EC-ESA). This is one of the internal mechanisms established by the Secretary-General of the United Nations and brings together all the entities in that sector, such as UNCTAD, the Regional Commissions, the Department of Economic and Social Affairs

and UNEP with a view to ensuring policy coherence, complementarity, coordination of effort, and to minimizing duplication and overlap in relation to the work to be carried out in the forthcoming biennium. UNCTAD had an important lead role in the trade and the science and technology clusters, and also contributed to other clusters, notably macroeconomics, and countries in special situations. In addition, the Office of the Deputy Secretary-General of the United Nations oversaw the outcome and discussed with my colleagues specific aspects of the UNCTAD submission. I am happy to inform you that the Secretary-General of the United Nations subsequently wrote to EC-ESA to convey his appreciation to all entities for the exercise. As this was the first time that the drafting of the budget went through these various processes a number of changes have resulted - especially in refocusing and sharpening of indicators - from the text reviewed by the Working Party last January

Mr. Chairman,

I would now like to highlight the main features in the fascicle before you, especially in the area of resource deployment. Firstly, let me stress that we have sought to the extent possible to seek economies and to redeploy financial resources between areas of expenditure and areas of work before requesting any increases. Thus for UNCTAD XI - which is covered under Policy Making Organs - we are proposing redeployment of funds from general temporary assistance and overtime under Programme Support. And under external printing we foresee a reduction due to a lesser number of publications and enhanced use of information and communications technologies.

In terms of redeployment of posts, the strengthening of Subprogrammes 2 and 3, takes into account requests by Member States during the Mid-Term Review stressing the need for support to developing countries in the multilateral trade negotiations with a view to enhancing their productive capacity and enabling them to take advantage of the opportunities provided. Redeployments from Executive Direction and Management to Programme Support reflect the enhancement of the Intergovernmental Support Service through grouping under it external relations and public information activities and thus press, civil society outreach and related activities.

From the fascicle, you will note that the Secretary-General of the United Nations is also requesting an increase in the UNCTAD budget amounting to 1.7%. This increase covers budget lines for posts,

consultants, furniture and equipment, general operating expenses and supplies and materials. Under posts, the Secretary-General of the United Nations is proposing a D-2 for the Division of Management, a P-4 for subprogramme 2, and an upgrading of one post within the General Service category. Under consultants the increase envisaged is actually less than that originally proposed for the current biennium: whilst UNCTAD has managed to accommodate the significant reduction by the General Assembly at its 56th session, the present level of consultant resources is insufficient to enable the secretariat to maintain the level of high quality analytical work expected, some of which has to come from outside experts such as distinguished academics. Under furniture and equipment, the increase would enable replacement of hardware, infrastructure software, contracted information technology projects, and the purchase of several new types of software, including their licenses. Under general operating expenses there is an increase due mainly for communications, while the increase under supplies and materials reflects the actual current pattern of expenditures.

Mr. Chairman,

Before closing, I should like to refer to two other documents before you. One is an analysis of replies received from member States to the ex-ante survey of publications envisaged for the next biennium. A first analysis was distributed to the Working Party last January and as additional replies were received subsequently, we have brought the results up-to-date. Once again, unfortunately, the response in terms of the number of countries that replied has been most disappointing, indeed casting doubt on the usefulness of the exercise. The other document, TD/B/161 reflects the outcome of the secretariat's consultations with member States with a view to integrating into UNCTAD's technical cooperation strategy elements arising from the thematic evaluation of capacity building. The Working Party requested this at last September's session in its agreed conclusion on the "Evaluation of technical cooperation activities". I should like to mention, in this connection, that as part of the reform under way, the Secretary-General of the United Nations is conducting a review of technical cooperation and has engaged a consultant for this purpose. The consultant has visited UNCTAD in particular because the secretariat's work on trade including cooperation in particular with WTO, ITC the World Bank and IMF has been considered as a model of good practice.

As usual, my colleagues in the secretariat will be available to assist you and support your discussions.